

AIR

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CIA HISTORICAL REVIEW PROGRAM  
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Psychological Barometer Report (Period Ending 9 January 1954)

Reference - HGG-A-613

The general situation as described in paragraph 1 of reference persisted into and through this period with little change. The following paragraphs contain summary information relating to pertinent developments since the last previous report:

- A. Reports continue to circulate regarding efforts by the Guatemalan Government to obtain arms and ammunition. Failure to obtain such materials is believed to have created an increasingly critical situation within the Army (e.g., creating doubt as to the Army's ability to control internal events) and at the same time increased the sense of isolation from the American community of states. Guatemala's apparent preoccupation with arms procurement may also indicate that the government is placing more and more credence in reports of subversive movements and is desperately attempting to arm itself and supporting groups.
- B. Perhaps the most significant development during this reporting period was the announcement that Alfonso MARTINEZ, head of the Departamento Agrario Nacional (DAN), had personally gone to Escuintla for the purpose of resolving conflicts in that area arising from illegal seizures of land by farm workers who were goaded into such action by communists, principally Carlos Manuel PELLEGER. Undoubtedly, illegal occupation of land not "affectable" under the reform law has created a dangerous and explosive situation. Land owners are incensed, and according to one source formerly associated with the AREVALO regime, the government is seriously concerned by the forceful tactics being employed by the communists.

In this connection, it has also been reported that President ARBENZ and his advisors are worried by recent internal conflicts in the official parties (excluding the PGT) because they feel there is no longer a strong "revolutionary group" behind them. For this reason it has been alleged by a former associate of AREVALO that the government is considering the importance of a friendly Army as opposed to the communist party and its ambitious leaders.

RYBAT

Although the foregoing data relating to the government's concern over growing communist boldness has not been confirmed, it does follow the previously-reported rumors that the government itself and/or the Army may act to suppress communism before rightist groups are well enough organized to do so.

- C. It is again noted as a matter of significance that another unconfirmed report has been received alleging that illegalities arising from the agrarian reform movement are definitely part of a scheme to win the loyalty of the masses in the shortest possible time in order to strengthen the position of the communists (and/or the government). One informant of unknown reliability asserted that the communists want to be in a strong position (from the standpoint of internal support) by the time the inter-American meeting takes place at Caracas in March 1954.
- D. Reports and rumors continue to be received through regular Embassy channels regarding the organization of armed groups in adjoining countries for the purpose of overthrowing the ARBENZ government. Individuals also continue to appear at the Embassy to declare their anti-communist, anti-government sentiments. Copies of significant memoranda of conversation have been sent to Headquarters and Lincoln under separate cover.
- E. Real and rumored Cabinet changes during the reporting period have set off much speculation as to their significance. It is the consensus of opinion at this moment that the most important change, involving the Minister of Foreign Relations and as yet unconfirmed, is related to the upcoming meeting of American States at Caracas. It is speculated that Guillermo TORIELLO, present Guatemalan Ambassador to the United States, will become the next Minister of Foreign Relations in order to strengthen Guatemala's position at the Caracas meeting. It appears certain that the Caracas Meeting will be of utmost importance to the Guatemalan Government, and we will make every effort to observe and report significant developments in connection therewith.
- F. In connection with Guatemala's continuing dissemination of "anti-intervention" propaganda, it is noted that the official press is playing up the recent action by the Chilean Congress to announce itself in opposition to any form of aggression against Guatemala. A prominent opposition personality here has expressed the fear that other Latin American countries might follow suit and thereby create an embarrassing and difficult position for the United States at Caracas. Obviously a failure to achieve near unanimity in the proposed investigation and condemnation of communism will be a marked victory for the Guatemalan Government and/or the communists. In all probability the "anti-intervention" campaign will be greatly stepped up prior to the meeting at Caracas.

12 January 1954

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